



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 10**

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OFFICE OF  
ECOSYSTEMS, TRIBAL AND  
PUBLIC AFFAIRS

January 17, 2012

Harry A. Baij, Jr.  
U.S. Army Corps of Engineers  
Alaska Regulatory Division  
P.O. Box 6898  
JBER, Alaska 99506-0898

Re: EPA comments on the Draft Environmental Impact Statement for the U.S. Army Corps of Engineers ExxonMobil Corporation Point Thomson Project (EPA Project # 09-070-COE).

Dear Mr. Baij:

Thank you for the opportunity to review the Draft Environmental Impact Statement (EIS) for the ExxonMobil Corporation Point Thomson Project in the North Slope Borough, Alaska (CEQ # 20110387). We have reviewed the EIS in accordance with our responsibilities under National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, as well as our role as a Cooperating Agency on the EIS.

Section 309 specifically directs the EPA to review and comment in writing on the environmental impacts associated with all major federal actions as well as the adequacy of the EIS in meeting procedural and public disclosure requirements of NEPA. We have given the EIS an overall rating of EC-1 (Environmental Concerns-Adequate Information). A description of our rating system is enclosed.

We appreciate the tremendous effort of the U.S. Army Corps of Engineers (Corps) to produce a reader-friendly and succinct document that clearly articulates the anticipated impacts of the proposed project. We believe that the visual graphics, index, glossary, impact summary statements and numerous appendices are extremely useful to the reader. We also commend the Corps for developing high quality visual simulations of the alternatives and a helpful project website.

Below are the issues we believe warrant additional consideration for the Final EIS:

**Air Quality**

In our February 25, 2010, scoping letter, we provided extensive comments regarding what we believe to be the adequate approach and level of analysis for potential impacts to air quality for this project. While the current analysis offers much improvement from the preliminary analysis we previously reviewed, we have additional recommendations for your consideration below.

***Greenhouse Gas Reporting Rules***

As identified in Section 5.4.1.8, EPA has finalized greenhouse gas (GHG) reporting rules applicable to Point Thomson facilities. Because these rules are final, we recommend that the Final EIS describe the specific reporting requirements for the specific facilities at Point Thomson. In addition, the EIS should define what a facility is with regard to this project. The

final petroleum and natural gas reporting rule provides examples of the types of facilities affected by this subpart and their associated North American Industry Classification System (NAICS) codes, which should be identified in the Final EIS. This information is particularly important because it will determine the method used to calculate emissions and operational data. Finally, the rule's preamble also notes that many facilities covered in Subpart W have GHG emissions from multiple source categories listed in other subparts of the rule. Therefore the Final EIS may need to indicate other sources that are covered by this rule. The rule and associated fact sheet can be accessed at: <http://www.epa.gov/climatechange/emissions/subpart/w>. For additional information or questions, please contact Madonna Narvaez, our GHG Reporting Rule expert, at 206-553-2117.

### ***Arctic Haze***

Previous development projects on the North Slope have identified arctic haze, a reduction in air quality primarily from Asian industrial and mid-latitude city emissions, as an existing regional air quality concern. Currently, the air quality section does not address arctic haze. Since this issue has been identified as a concern by North Slope residents, we recommend including a discussion of arctic haze in the Final EIS.

### ***Monitoring Site Information***

In Section 3.4.1, for available monitors or monitoring sites, we recommend providing information about the location, the purpose of monitoring, data collection periods with start and end dates, frequency of monitoring, monitoring methodology (i.e. federal reference or equivalent methods), and data quality assurance and quality control.

### ***Compliance Data***

Any violations of standards identified from monitoring data should be noted along with the date on which they occurred in Section 3.4.2. Data for all averaging times for each pollutant should be presented. The data should include, at a minimum: pollutants measured, maximum and minimum concentrations, average concentrations, averaging times, time and date stamps, and specific location information in UTM or lat/long coordinates as well as all other pertinent information required to make valid observations for the specific type of monitor. This data may be included as an appendix and referenced in the EIS.

### ***Emission Effects on Other Resources***

The Draft EIS analyzes the direct, indirect, and cumulative impacts in the foreseeable future of this project. Analysis of impacts should be conducted from two perspectives: 1) potential effects on air quality (i.e., the concentration of pollutants in the atmosphere) and 2) the potential effects of air pollution on human health and other aspects of the environment (the potential injury to natural resources and other elements of the affected area/ecosystem). Section 5.4.2 discusses the methodology to assess air quality impacts based on comparison with Prevention of Significant Deterioration (PSD) thresholds and modeling. We believe a discussion on methodology for assessing air quality impacts on other aspects of the environment and identification of any indirect adverse effects (such as deposition of pollutants as NO<sub>x</sub> and SO<sub>x</sub> which contribute to acidic precipitation and can cause acidification of lakes and severe ecosystem impacts) should be included.

### ***Construction Season***

In Section 5.4.4.1, three construction seasons are identified as being required for Alternative B. It would be useful to have an idea of the duration of each construction season, and the time of year construction is expected to commence and end, as well as an analysis of resulting air emissions.

### ***Emission Inventory***

Also in Section 5.4.4.1, please provide the emission inventory used to calculate the potential emissions "Total" and "Stationary Sources" for the listed pollutants in table 5.4-2, and provide a comparison of the alternatives.

### **Water Quality**

While we do not have substantial concerns regarding potential impacts to water quality based on the information presented in the Draft EIS, we do have several specific recommendations to improve the technical accuracy of the water quality discussion.

For Section 3.7.3, we recommend changing the language on 3-65, line 1, to "The CWA is the primary law governing water pollution into U.S. waters, which consist of..." Also, for the discussion regarding 18 AAC 70, we recommend that the EIS clarify that since the Manual is adopted by reference in 18 AAC 70.020(b), it is not "in addition" to 18 AAC 70 but a part of it. Under Section 3.7.3.2 we suggest that the EIS include more specific information concerning which discharges will need coverage during construction under AKG-33-1000. *Also, please note that when we reissue the permit on February 2, 2012, the permit number will change from AKG-33-0000 to AKG-33-1000.*

For Section 3.7.3.3, it is unclear why there is no reference to the State of Alaska's Drinking Water Standards in 18 AAC 80. If applicable, we recommend referencing applicable administrative code. Also, Section 3.7.4.4 should refer to Drinking Water Standards for potability, not water quality standards. We also recommend that the discussion regarding nitrogen in the first paragraph of Section 3.7.4.7 include a declarative statement with regard to water quality standards. Under Section 5.7.2, please note that permits AKG-57-0000 and AKG-57-1000 are issued by the ADEC and cover domestic wastewater discharges.

There is some discussion regarding the impacts of discharges into the marine environment (minimal and confined to mixing zone), but no identification of what discharges are being referenced (Section 5.7.4.1). Please identify discharge types and which permit(s) authorizes a mixing zone, as well as the size of the mixing zone.

Finally, in Section 5.7.4.3, we recommend removing the statement "The EPA has not issued trace metals emissions standards for any natural gas fired equipment because levels are so low." This statement is technically not correct.

### **Alternatives and the Least Environmentally Damaging Practicable Alternative**

We appreciate the Corps' inclusion of a draft 404(b)(1) analysis as an appendix (Appendix C) to the Draft EIS. However, as we identified in our comments on the Agency Review Draft EIS, without a complete 404(b)(1) analysis, we cannot make any preliminary determination that the least environmental damaging practicable alternative (LEDPA) is currently analyzed as a single alternative or as components of the EIS alternatives. We believe that additional information may be needed to ensure that alternative

components do include the LEDPA for this project. This may include additional analysis of different project components such as a sea ice road to connect the Central pad to the East Pad, reconfiguration of the Central Pad to ensure future use for large structure movement, and relocation of the compressors to an inland pad. *We recognize that, with further information and analysis, a combination of various alternatives, or alternative components, may be the LEDPA.* For specific recommendations regarding the evaluation of alternatives under 404(b)(1) and identification of the LEDPA, please see our comment letter for the Public Notice of Application for Permit, POA-2001-1082-M1.

Finally, we believe that additional verification of the setback distance (currently at 0.5 miles) for the pads and support infrastructure should be included in the Final EIS.

### **EPA Regulatory Role**

Currently, the discussion in Section 1.3 regarding the EPA does not identify the EPA's authority under the Safe Drinking Water Act (SDWA) for issuing Class I Underground Injection Control (UIC) wells, which are an integral component to waste disposal for the Point Thomson Project. We recommend that this section be revised to reflect this authority. Similarly, we recommend that the Table 5.24-1 indicate that Class I wells are under the EPA's authority.

### **Mitigation and Monitoring**

We recognize the extensive work by the Corps and the applicant to incorporate avoidance and mitigation into the project alternatives. Overall, we recommend the final EIS consider additional physical or operational changes that could further mitigate any adverse impacts, particularly those that are identified as high or moderate. For example, some type of "natural" barrier could be constructed to mitigate noise or visual impacts to coastal resources. Any additional mitigation that is evaluated needs to consider the recent Council on Environmental Quality's mitigation and monitoring guidance. Finally, and also in line with the recent CEQ guidance, we recommend that a draft adaptive management plan be identified and included in the Final EIS to monitor the success of mitigation efforts.

Again, we appreciate the opportunity to offer comments on the Draft EIS and look forward to continuing to work with the Corps on addressing the issues we have identified herein in the Final EIS. Please contact me at (206) 553-1601 or by electronic mail at [reichgott.christine@epa.gov](mailto:reichgott.christine@epa.gov), or you may contact Jennifer Curtis of my staff in Anchorage at (907) 271-6324 or by electronic mail at [curtis.jennifer@epa.gov](mailto:curtis.jennifer@epa.gov) with any questions you have regarding our comments.

Sincerely,



Christine B. Reichgott, Manager  
Environmental Review and Sediments Management Unit

Enclosure

**U.S. Environmental Protection Agency Rating System for  
Draft Environmental Impact Statements  
Definitions and Follow-Up Action\***

**Environmental Impact of the Action**

**LO – Lack of Objections**

The U.S. Environmental Protection Agency (EPA) review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

**EC – Environmental Concerns**

EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce these impacts.

**EO – Environmental Objections**

EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no-action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

**EU – Environmentally Unsatisfactory**

EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potential unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

**Adequacy of the Impact Statement**

**Category 1 – Adequate**

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis of data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

**Category 2 – Insufficient Information**

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses or discussion should be included in the final EIS.

**Category 3 – Inadequate**

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the National Environmental Policy Act and or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

\* From EPA Manual 1640 Policy and Procedures for the Review of Federal Actions Impacting the Environment. February, 1987.